



United States Department of the Interior

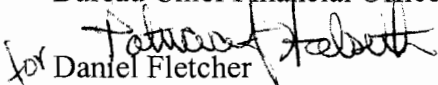
OFFICE OF THE SECRETARY
Washington, DC 20240



MAY 2 - 2005

Memorandum

To: Heads of Bureaus and Offices
Bureau Chief Financial Officers

From:  Daniel Fletcher
Associate Director, Office of Financial Management

Subject: Guidance for the Preparation of FY 2005 Required Supplementary Stewardship Disclosures

This memorandum serves as the guidance for the preparation of the Required Supplementary Stewardship Information (RSSI) section of the FY 2005 Report on Performance and Accountability (PAR). All data requested here is identical to the data that should be included in each bureau's annual performance and accountability report.

To facilitate preparation of the bureau FY 2005 RSSI data, we have attached the templates that will be included in the FY 2005 PAR; bureaus must use standard charts and tables in the bureau-level reports. The text, charts, and tables provided for the PAR will constitute the minimum disclosure by bureaus; bureaus may, at their discretion, provide expanded information in bureau reports but must provide the same level of detail as in the attached templates. While bureaus have latitude in determining how to present RSSI data in bureau reports, the data required for the PAR must appear in bureau reports. **All RSSI data must be submitted to the Department in the format presented in the attached templates.** Bureaus are also required to provide to PFM narrative RSSI information in the manner and format prescribed in this memorandum.

To assist bureaus in the preparation of RSSI data, PFM will post the templates on the Citrix Server (you will be notified by E-mail of this location). Once bureaus have populated the data into the templates on the Citrix server, the file should be saved with the bureau acronym and the date the file was prepared. Each subsequent update to the file should be appended with the current date. Bureaus are requested to notify, either by telephone or e-mail, the Departmental contact listed below when RSSI data has been updated to ensure the most current information is inputted in to the PAR. Bureaus that are unable to access the Citrix server may provide the completed templates information to the Office of Financial Management (PFM) contact who will input the data in to the master file.

The due date for the completion of the Departmental PAR is November 15, 2005. In order to meet this date, the Department and bureaus will prepare a complete and presentable draft of the Department and bureau reports with third quarter data. Audit review procedures will be performed on third quarter data. Accordingly, a **complete** RSSI section is due to PFM by **July 22, 2005**. While the July 22 version should be complete, updated fourth quarter data must be provided before October 15 for inclusion in the PAR.

In the past, the Office of Financial Management (PFM) and the Office of Acquisition and Property Management issued a joint data call memorandum for the RSSI section of the PAR. For FY 2005, separate data call memoranda appropriate to the reporting responsibilities of both offices will be issued. Therefore, the museum property information requested in this memorandum should be forwarded directly to PFM.

RSSI Contacts

To assist with the collection and consolidation of the RSSI materials, each bureau is requested to designate a contact point for the information requested. The primary contact should have knowledge of the RSSI process and be available to answer questions from the Department and coordinate the preparation of the bureau RSSI report. Bureau contact information (name, telephone number, and e-mail address, and, if more than one contact is designated, their RSSI area of responsibility) should be e-mailed to the contact listed below no later than **June 2, 2005**.

If you have questions or need assistance, please contact Charlene Hutchinson on 202-208-3964 or Charlene_Hutchinson@ios.doi.gov.

Attachments

cc: Deputy Chief Financial Officers
Bureau Finance Officers

FY 2005 REQUIRED SUPPLEMENTARY STEWARDSHIP DISCLOSURES

A. ***Federal Stewardship Land (Chart A)*** - Federal stewardship land is defined as land owned by the Federal government that was not acquired for or in connection with other property, plant, and equipment. Certain assets, such as national parks, may be defined as both stewardship land and heritage assets. Thus, these assets will be reported both by number of acres under stewardship land and as the number of physical units (e.g., parks) under non-collectible cultural and natural heritage assets. The stewardship land section of the RSSI for FY 2005 will include specific discussions of the condition of the land and the method by which additions or withdrawals were made to stewardship lands.

For the categories of stewardship land included in Chart A, bureaus are required to provide the beginning balance, additions and withdrawals of Federal acres during the fiscal year; the number of Federal acres at the end of the year; the total number of non-Federal acres, and the condition of the Federal land. In addition, where applicable, bureaus should report the number of units and the number of miles if this information is available. Federal stewardship land is reported in terms of physical units rather than cost, fair value, or other monetary value.

The FY 2005 stewardship land categories are:

- National Park System
- National Wildlife Refuge System
- National Landscape Conservation System
- Other Wilderness and Conservation Areas
- Multiple Use Lands
- Other Recreation Areas
- Reclamation and Irrigation Areas
- Cultural, Schools, and Housing
- Other Stewardship Lands

Only the National Park Service would report in the “National Park System” category; similarly the “National Wildlife Refuge System” category would be used only by the Fish and Wildlife Service and the National Landscape Conservation System would be used by the Bureau of Land Management. The other bureaus should map their stewardship land categories into the remaining categories, as appropriate; if any category is not appropriate for a bureaus, do not use it. In the narrative section, bureaus should list the assets included in each stewardship land category. Also, bureaus should include the same stewardship land information reported for the PAR in bureau reports.

Bureaus also are required to include the condition of stewardship lands on Chart A. The categories of condition are:

- (1) Acceptable – when the land is adequate for operating needs and the

Department has not identified any improvements that are necessary to prepare and/or sustain the land for its intended use; and,

(2) Needs Intervention – when the Department has identified improvements that are necessary to prepare and/or sustain the land for its intended use.

The FY 2004 Consolidated Financial Statement Audit Report contained a reportable condition concerning stewardship land condition. The audit report stated that the Department does not have procedures for assessing the condition of stewardship land. Accordingly, bureaus should provide to PFM, the methods used to determine the condition of stewardship land, a description of the internal controls governing the assessment of and stewardship land condition, and a description of the documentation exists to support the land condition assessment. This memorandum should be signed by an appropriate bureau official and forwarded to PFM no later than **June 30, 2005**.

Bureau submissions should include a narrative discussion of stewardship lands; the narrative should provide issues of interest to the public including major acquisitions or withdrawals that occurred during the fiscal year or new/unique uses of stewardship lands. The narrative should include the methods by which stewardship lands are acquired, such as by donations, and how lands are withdrawn, such as by transfer to another Federal agency or a state or local government.

B. ***Heritage Assets*** are property, plant, and equipment that are unique because of historical or natural significance, cultural, educational, or artistic importance, or for significant architectural characteristics. Heritage assets are generally expected to be preserved indefinitely. Heritage Assets include non-collectible cultural and natural heritage assets, such as archeological and historic sites, and collectible heritage assets such as library and museum collections.

1. ***Non-Collectible Cultural and Natural Heritage Assets (Chart B)*** - Chart B lists the categories of non-collectible cultural and natural heritage assets to be used in the PAR. For reporting consistency, the categories of heritage assets in Chart B include assets common to most bureaus.

The FY 2005 non-collectible cultural heritage asset categories are:

- Archeological and Historic Sites
- National Historic Landmarks
- Historic and Prehistoric Structures
- Paleontological Sites
- National Register of Historic Places
- Cultural Landscapes
- National Park System (NPS only)
- National Wildlife Refuge System (FWS only)

National Register of Historic Places may include either sites eligible for listing or recorded sites; when entering the data into the PAR templates, bureau should specify the nature of the National Register site as mentioned above. Bureaus should enter on Chart B the number of units as of September 30, 2004; additions and withdrawals during the fiscal year; the ending balance as of September 30, 2005; and the condition of the assets. Condition categories are:

Good – a site shows no clear evidence of negative disturbance or deterioration by natural forces or human activities;

Fair – a site shows clear evidence of negative disturbances or deterioration by natural forces and/or human activities;

Poor – a site shows clear evidence of human activities and no corrective actions have been taken to protect and preserve the integrity of the site;

Unknown – due to the nature of the site (underwater sites) or because of circumstances such as financial constraints, the condition of the site cannot be determined.

The narrative section should include a detailed description of the methods by which non-collectible cultural and natural heritage assets are acquired and withdrawn as well as any other information that would be of interest to the public and which illustrate the mission of the bureau.

C. ***Collectible Heritage Assets - Library and Museum Collections*** (Chart C) – For FY 2005, collectible heritage assets (library and museum collections) will be reported on the same chart. The reporting unit for library and museum assets will be by “collection.”

Library Collections:

The Department has two library collections: the Natural Resources Library and the U.S. Geological Survey’s library collection. Each collection is considered one location. For each location, bureaus should provide the beginning balance, additions/withdrawals during the fiscal year, and the ending balance. Condition information is also required for library collections. Condition categories are:

Good – the collection is in usable condition;

Fair – the collection is in need of minor repair or cleaning;

Poor – the collection is in need of major conservation efforts.

Bureau narratives should describe major acquisitions or other information illustrative of the efforts of the library to acquire and preserve books, periodicals, and non-book items such as maps and photographs.

Museum Collections:

The Departmental definition of collection is:

Collections include assemblages of objects, works of art, and/or historic documents, representing archeology, art, ethnography, biology, geology, paleontology, and history, collected according to a rational scheme and maintained so they can be preserved, studied, and interpreted for public benefit. A collection includes cataloged and/or uncataloged objects under the control of an administrative unit/location, which may have multiple facilities/spaces that house the collection. [Adapted from 411DM1]

Bureaus should report the number of bureau and non-bureau facilities housing museum property along with the beginning balance, additions/withdrawals, and the ending balance. Bureaus have the option of reporting all of their collections as located in bureau or in non-bureau facilities.

The condition of museum property is judged by the degree to which facilities housing Departmental property meet accepted museum standards adopted by the Department. Bureaus should report the number of locations meeting the following standards:

Good - meeting more than 70% of standards in
Departmental Manual (DM Chapter 411, Museum
Property);

Fair - meeting 50-70% of Departmental standards

Poor - meeting less than 50% of Departmental
standards.

The “Not Yet Assessed” category is also available for bureau use for those collections not yet assessed.

Bureau narratives should describe several major highlights museum activities that occurred during the reporting period such as major acquisitions or partnerships with other Federal or non-federal entities.

- D. ***Stewardship Investments*** - Stewardship investments are substantial investments made by the Federal government for the benefit of the nation. Stewardship investment categories to be

reported are investment in research and development, investment in human capital, and investment in non-federal physical property. Costs reported for stewardship investments should be actual expenses incurred rather than obligations. Bureaus should also report on outputs and outcomes for stewardship investments as discussed below.

1. Investment in Research and Development (Chart D) – Investment in Research and Development are expenses incurred to support the search for new or refined knowledge and ideas and for the application and use of such knowledge and ideas for the development of new or improved products and processes with the expectation of maintaining or increasing national economic productive capacity or yielding other future benefits. The types of research and development are:

- Basic – systematic study to gain knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications toward processes or products in mind;
- Applied – systematic study to gain knowledge or understanding necessary for determining the means by which a recognized and specific need may be met; and
- Developmental – systematic use of the knowledge and understanding gained from research for the production of useful materials, devices, systems, or methods, including the design and development of prototypes and processes.

Bureaus should report the full cost of the investment made for the current year and the preceding four years. Outputs and outcomes with readily apparent relationships to the investment should be discussed in the narrative section. “Output” is a tabulation, calculation, or recording of activity or effort that can be expressed in a qualitative manner. “Outcome” is an assessment of the results of a program compared to its intended purpose along the following lines:

- Basic research – an identification of any major new discoveries that were made during the year;
- Applied research – an identification of any major new applications that were developed during the year; and
- Developmental research – the progress of major developmental projects including the results with respect to projects completed or otherwise terminated during the year and the status of projects that will continue.

The information provided concerning outcomes should provide, in concise form, a plausible basis for judging the extent to which the program is achieving its purpose. Bureaus should identify specific results of the projects that clearly illustrate whether the monies invested in the projects are generating benefits.

2. *Investment in Human Capital (Chart E)* - Investment in Human Capital includes education and training programs financed by the Federal government for the benefit of the public. Investment in human capital excludes education and training expenses for the training of Federal employees. Bureaus should include the full cost of the investment for the current and preceding four years. The reporting categories for Investment in Human Capital are:

- Educational Programs (School Operations, Adult Education, Post Secondary Education, Scholarship Programs, Indian Employment, Training and Related Services Act);
- Job Corps Program

Outputs and outcomes with readily apparent relationships to the human capital investments should be reported in the narrative section of the PAR. An example of an output/outcome for the Job Corps Program would be the number of students enrolled versus the number of students who graduated, the number of student job placements, or any other data indicating the effectiveness of the program in achieving its purpose.

3. *Investment in Non-Federal Physical Property (Chart F)* –Investment in Non-Federal Physical Property are expenses incurred by the Federal government for the purchase, construction, or major renovation of physical property owned by or given to state and local governments or Insular Areas.

Minimum reporting includes the following (SFFAS #8, Chapter 5, Paragraph 87): annual investment, including a description of federally-owned physical property transferred to state and local governments. Bureaus should describe major programs involving Federal investments, including descriptions of programs or policies under which non-cash assets are transferred to state and local governments for the current year and the preceding four years. Reporting shall be at a meaningful category or level such as:

Dams and other water structures;
Land;
Roads and bridges; and
Schools and public buildings.

FY 2005 Stewardship Land

Federal Acres							Condition - Acceptable or Needs Intervention <u>1/</u>	Number of Units
Category by Type	2004 Beginning Balance	Additions	Withdrawals	2005 Ending Balance	Total Non- Federal Acres	Combined Total Acres		
National Park System								
National Wildlife Refuge System								
National Landscape Conservation System								
Other Wilderness and Conservation Areas								
Multiple Use Lands								
Other Recreation Areas								
Cultural, Schools, and Housing								
Reclamation and Irrigation Areas								
Other Stewardship Lands								
Total								

1/ Land is categorized as "acceptable" when it is adequate for operating needs and the Department has not identified any improvements that are necessary to prepare and/or sustain the land for its intended use. Land is categorized as "needs intervention" when the Department has identified improvements that are necessary to prepare and/or sustain the land for its intended use.

FY 2005 Non-Collectible Cultural and Natural Heritage Assets

Category by Type	Beginning balance (units)	Additions (units)	Withdrawals (units)	2005 Ending balance (units)	Condition (%) 1/			
					Good	Fair	Poor	Unknown
Archeological and Historic Sites								
National Historic Landmarks								
Natural Heritage Special Management Areas								
Historic and Prehistoric Structures								
Paleontological Sites								
Cultural Landscapes								
National Register of Historic Places								
National Park System								
National Wildlife Refuge System								
World Heritage Properties								
Total								
TOTALS								
Archeological and Historic Sites								
National Historic Landmarks								
Natural Heritage Special Management Areas								
Historic and Prehistoric Structures								
Paleontological Sites								
Cultural Landscapes								
National Register of Historic Places								
National Park System								
National Wildlife Refuge System								
World Heritage Properties								
Total								

1/ "Good condition means a site shows no clear evidence of negative disturbance or deterioration by natural forces or human activities;
"fair" means that a site shows clear evidence of negative disturbances or deterioration by natural forces and/or human activities;

Collectible Heritage Assets - Locations Housing Departmental Assets - FY 2005

					Condition of Collection (%) 1/			
	Beginning Collections	Additions	Withdrawals	Ending Collections	Good	Fair	Poor	
Interior Library Collections								
Departmental Library								
U.S. Geological Survey Library								
Total								
1/ "Good" means the collection is in usable condition; "fair" means the collection is in need of minor repair or cleaning; "poor" means the collection is in need of major conservation efforts.					Condition of Facility Housing Collection 2/			
	Beginning Collections	Additions	Withdrawals	Ending Collections	Good (Meet > 70%)	Fair (Meet 50- 70%)	Poor (Meet < 50%)	Not Yet Assessed
Interior Museum Collections								
Held at Interior Facility								
Held at Non-Interior Facility								
Total								

2/ Good condition means meeting more than 70% of standards in Departmental Manual Chapter 411, Museum Property; fair means meeting 50-70% of Departmental standards; poor means meeting less than 50% of Departmental Standards

Investment in Research and Development - FY 2005**(in millions)**

Category	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Basic Research					
Applied Research					
Developmental Research					
TOTAL					

Investments in Human Capital - FY 2005
(in millions)

Category	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	TOTAL
Educational Programs <u>1/</u>						
Job Corps Program						
Other						
TOTAL						

1/ Educational Programs include School Operations, Adult Education, Post Secondary Education,

Investment in Non-Federal Physical Property - FY 2005

Category	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	TOTAL
Dams and Other Water Structures						
Land						
Roads and Bridges						
Schools and Public Buildings						
Other						
Total						